

09 DEC 1983

MEMORANDUM FOR: (See Addressees List)

25X1

FROM:

[redacted]
Acting Chief, Strategic Resources Division
Office of Global Issues

25X1

SUBJECT: Eastern Europe's 1983 Grain Harvest [redacted]

25X1

1. The attached memorandum assesses 1983 grain production in Eastern Europe and the resulting implications for grain trade and food supplies. [redacted]

25X1

2. This assessment was produced by [redacted] Agricultural Assessments Branch, Strategic Resources Division, Office of Global Issues, and [redacted] Regional East/West Economics Branch, East European Division, Office of European Analysis. [redacted]

25X1

25X1

25X1

3. Comments and questions are welcome and may be addressed to the Chief, Agricultural Assessments Branch [redacted] or to the Chief, Regional East/West Economic Branch, [redacted]

25X1

25X1

25X1

Attachment:

Eastern Europe's 1983 Grain
Crop: Outlook and Implications
GI M 83-10280, December 1983 [redacted]

25X1

25X1

GI M 83-10280

25X1

SUBJECT: Eastern Europe's 1983 Grain Harvest

25X1

Addressees List:

Mr. Gerald A. Bange
Deputy Chairman, World Agricultural Outlook Board
Department of Agriculture

Mr. Elmer Klumpp
Special Assistant to the Under Secretary
International Affairs and Commodity Programs
Department of Agriculture

Mr. Richard A. Smith
Administrator, Foreign Agricultural Service
Department of Agriculture

Mr. Donald Novotny
Director, Grain and Feed Division
Foreign Agricultural Service
Department of Agriculture

Mr. Edwin Cissel
Director, Foreign Production Estimates Division
Foreign Agricultural Service
Department of Agriculture

Mr. Keith Severin
Foreign Production Estimates Division
USSR/Eastern Europe
Foreign Agricultural Service
Department of Agriculture

Mr. Harvey Shapiro
DD/Office of East-West Trade
Department of Treasury

Mr. William Griffith
INR/EC/CER
Department of State

Ms. Mary Ann Peters
EUR/EE
Department of State

25X1

SUBJECT: Eastern Europe's 1983 Grain Harvest

25X1

Addressees List (continued):

Mr. Frank Vargo
DAS for Europe
International Trade Administration
Department of Commerce

Ms. Susanne Lotarski
Director, Office of USSR and Eastern Europe
International Trade Administration
Department of Commerce

Mr. Jay Burgess
Director, Eastern European Division
Office of USSR and Eastern Europe
International Trade Administration
Department of Commerce

25X1

SUBJECT: Eastern Europe's 1983 Grain Harvest

25X1

OGI/SRD/AAB/ (9 December 1983)

25X1

Distribution: (Attachment with each copy)

- 1 - Each Addressee
- 1 - D/OGI
- 1 - DD/OGI
- 1 - C/SRD/OGI
- 5 - C/AAB/SRD/OGI
- 15 - EW/EE/EURA
- 8 - PS/OGI ✓

25X1

1 CPAS/ILS

25X1

Central Intelligence Agency



Washington, D. C. 20505

DIRECTORATE OF INTELLIGENCE

19 DEC 1983

Eastern Europe's 1983 Grain Crop: Outlook and Implications [REDACTED]

25X1

Summary

We estimate Eastern Europe this year will harvest a grain crop of around 97 million metric tons, the region's second highest crop ever, but down from last year's record 102-million-ton harvest. Near record production in the grain importing northern countries--Poland, Czechoslovakia, and East Germany--will do little to improve food supplies because imports will remain below the levels of the recent past. In most southern countries--Bulgaria, Romania, and Hungary--production shortfalls will lower grain exports at a time when these financially hard pressed regimes are attempting to boost sales to obtain hard currency. We believe retail food prices are likely to rise in most of the countries of Eastern Europe, and the food situation will be worse during the coming year in Poland and Romania where already depressed meat supplies are expected to worsen.

25X1

The impact of the production falloff on consumers will only be partly blunted by likely grain imports in the 8 to 9-million-ton range. While this amount would be roughly 1 million more tons than last year, it is only about half of the average import levels of the early 1980s. We estimate that the United States will have a 20 to 25 percent share of the East European grain market in MY 1983/84, near last year's level but a far cry from the 55 percent share that it enjoyed in the late 1970s. The smaller share can be attributed to the general reluctance of private and governmental sources in the United States to provide financing for grain purchases. Although the reduced US presence has given other countries the opportunity to increase their market share, Canada is the only major grain exporter to use government-backed trade credits aggressively to expand sales.

25X1

This paper was prepared by [REDACTED] Agricultural Assessments Branch, Strategic Resources Division, Office of Global Issues (AAB/SRD/OGI), [REDACTED] Regional East/West Economics Branch, East European Division, Office of European Analysis (EW/EE/EURA). Comments and questions may be addressed to the Chief, AAB/SRD/OGI on [REDACTED] or the Chief, EW/EE/EURA on [REDACTED]

25X1

25X1

25X1

25X1

25X1

Eastern Europe's 1983 Grain Crop: Outlook
and Implications []

25X1

Even with a record harvest last year, food consumption in Eastern Europe suffered because of financial constraints that forced a sharp decline in the region's net grain imports. Grain requirements were reduced by slaughtering livestock, reducing the grain content of feed rations, tightening rationing requirements, and raising retail food prices. Reaching planned grain production levels this year is once again out of the question and even if, as expected, the grain crop is better than average for the region as a whole it will do little to provide consumers with more or better food. Indeed, if the crop falls short of current expectations and exports of food continue to be pushed, cutbacks in consumption, particularly of meat, as well as further price increases, could be in the offing. []

25X1

Grain Production

[]
[] we expect 1983 grain production in Eastern Europe to reach some 97.4 million metric tons, the second-highest crop ever, but short of the 110-million-ton target for 1983 and below last year's record harvest of 102 million tons. All of the reduction is expected to occur in the southern countries,¹ which were hit hard by drought in May and July. In contrast, overall favorable weather and a large sown area helped the chronically grain deficient northern countries, where grain production is expected to reach near record levels. []

25X1

25X1

25X1

XX

Eastern Europe Weather Conditions

Dry weather helped the East European countries to gather in a record grain harvest in 1982, but it also set the stage for problems in 1983. Precipitation last fall was just adequate for the initial development of winter grains everywhere except in drought-stricken Poland. Over the winter and spring, mild temperatures and acceptable soil moisture levels improved prospects for winter grains in the northern countries. The southern countries, on the other hand, experienced very light precipitation,

¹ The southern countries are Romania, Bulgaria, Hungary, and Yugoslavia. The northern countries are Poland, Czechoslovakia, and East Germany. We discuss the two groups separately because they differ in climatic conditions, crops, and degree of self-sufficiency in grain production. []

25X1

25X1

which failed to recharge depleted soil moisture reserves, and severely reduced potential yields of the Romanian and Bulgarian winter grain crops in May. June rainfall, which saved most winter grains in the affected areas of Hungary and Yugoslavia, greatly improved the outlook for corn in all of the southern countries. Continued favorable summer weather further boosted corn prospects in Yugoslavia, Romania, and Bulgaria. Hot and dry conditions during July and August, however, dimmed the outlook for Hungary's corn crop, and for spring grains in Czechoslovakia and Poland. []

25X1

XX

Southern Countries - A Falloff In Production. We expect the southern countries of Eastern Europe--Romania, Bulgaria, Hungary, and Yugoslavia--to produce about 55 million tons of grain this year. The crop, about average for the region but some 5.5 million tons below last year's record output, would have been larger, except that a drought in May reduced winter grain yields almost everywhere. In contrast, spring grains, which normally comprise 60 percent of the grain produced in this part of Eastern Europe, developed well except in Hungary.

- o Severe damage to Romania's winter grain crop in May is expected to result in a below-average total grain output of 17.6 million tons, far short of Bucharest's 25.3-million-ton goal. Production even at this level is dependent upon the final outcome of the corn harvest, which made good progress through most of the summer.
- o Because of the May drought, Bulgaria has no chance of achieving the planned production goal of 10.3 million tons, and a below average grain crop of 7.5 million tons now seems likely.
- o Losses from droughts in May and July will probably depress Hungary's output to an average level. The current crop is expected to total about 12.9 million tons, a decline from last year's record of 14.8 million tons and substantially below the 14.5-million-ton plan for 1983.
- o Excellent conditions in Yugoslavia since late May have made an above average harvest of 17 million tons likely. Though falling short of the estimated 1983 plan of 17.7 million tons, this year's output would be surpassed only by the record 17.4-million-ton crop of 1982. []

25X1

25X1

Northern Countries--Near Record Grain Output. The northern countries of Poland, Czechoslovakia, and East Germany have experienced generally favorable weather during this crop season, and they are headed toward a near record grain harvest of over 42 million tons, the best outcome since 1974. Winter grains, which comprise 60 percent of production, benefitted from mild temperatures and ample soil moisture and at the approach of harvest they were in good-to-excellent condition. The winter grain harvest was complicated by early ripening, widespread lodging² and local shortages of harvest machinery, but dry weather enabled farmers to keep operations going at a steady pace, holding losses to minimum levels. Some of the region's spring grains on poorer sandy soils were hurt by drought in July, but harvest reports indicate that damage was significantly lighter than had been portrayed earlier in local press accounts.

- o We expect 1983 grain production in Poland to reach an above-average level of 21.6 million tons, overfulfilling the 21.2-million-ton plan. Farmers increased the sown area over last year's, and good to excellent yields for winter grains more than offset minor losses of spring grains from the July drought.
- o It appears that Czechoslovakia will produce 10.8 million tons of grain in 1983, somewhat less than the 11.0 million tons planned, but better than last year's output.
- o President Honecker announced in October that East Germany had harvested 10 million tons of grain and called this result the largest grain harvest in the country's history. Though production fell short of the 10.3-million-ton plan, we estimate that a larger sown area in 1983 was a major factor in surpassing the 1982 output.

25X1

Grain Trade

We estimate that during marketing year (MY) 1983/1984³ Eastern Europe will import between 8 and 9 million tons of grain, some 1 million tons more than last year but well below the

² Lodging describes a condition resulting when, because of rain and wind, grain stalks bend or break and form a flattened or tangled mass that is difficult to harvest. It generally occurs during the later stages of crop development--when the grains are tallest and weighted down with mature heads--and when plant growth has been especially lush.

25X1

³ 1 July 1983 to 30 June 1984.

25X1

25X1

25X1

[redacted]

16-million-ton average of the early 1980s.⁴ Our estimate is based on an assessment of each country's ability to finance imports as well as its estimated grain requirements. We expect the region's grain exports to total 3 to 4 million tons, down sharply from the 5-million-ton level last year. Despite the increase in imports and cutback in exports, we estimate total grain supplies will be roughly 3.4 million tons lower in MY 1983/84 than last year due to this year's smaller harvest. [redacted]

25X1

The South - Increasing Import Costs, Declining Export Revenues. While the southern region as a whole will remain a net grain exporter, imports are expected to rise substantially and exports to decline sharply. The decline in exports comes at a time when the economically hard-pressed regimes are trying to boost exports for hard currency or to barter for hard currency goods. Higher world grain prices will only partially offset the expected decline in export volume.

- o Romania is expected to import between 0.8 and 0.9 million tons of grain in MY 1983/84, a sharp rise over the 320,000 tons imported in MY 1982/83 but some 1.5 to 2.0 million tons short of its estimated grain import requirements. Romanian officials [redacted] can buy grain only if Western suppliers are willing to extend credit or to accept such items as cement, fertilizer, chemicals, and textiles in exchange. Unless Romania is able to secure financing or arrange such barter deals, it will have little choice but to reduce livestock herds. Despite unfulfilled domestic needs, we believe Romania will export 1.0 to 1.2 million tons of grain, largely to obtain needed hard currency or hard currency goods.
- o Bulgaria, in a turnaround from last year, is expected to become a net grain importer in MY 1983/84. Imports will rise to 400,000 to 500,000 tons--mostly corn--while exports will plunge to only 50,000 to 100,000 tons versus an estimated 1.1 million tons last year.
- o Hungary, although suffering a large decline in grain export earnings, will remain a net grain exporter, partly because

25X1

⁴ The northern countries--Czechoslovakia, East Germany, and Poland--are traditionally net grain importers. In contrast the southern countries as a whole are net grain exporters. Hungary is the region's only consistent net grain exporter; Bulgaria is usually a marginal exporter, and Yugoslavia a net importer. Romania, a net exporter, is sometimes referred to as Eastern Europe's "grain broker," often exporting and importing large quantities of grain in the same year in order to take advantage of changing world prices. [redacted]

25X1

25X1

25X1

[redacted]

of large carryover stocks from last year's record harvest. Hungarian officials have already predicted that the shortfall in this year's grain production could cost as much as \$300 million in lost export earnings.

- o Yugoslavia's good corn harvest should enable the country to increase grain exports to between 1.1 and 1.3 million tons. A large share of these exports is expected to be handled through countertrade arrangements, whereby Western firms will provide Yugoslavia with soybeans and meal products in exchange for corn. Utilizing US Commodity Credit Corporation (CCC) guarantees, Belgrade is expected to import between 400,000 and 500,000 tons of grain, almost entirely wheat. [redacted]

25X1

The North--Imports Remain Depressed. We expect that this year's near record harvest in the north will be augmented by imports of approximately 6.0 to 6.9 million tons. This level of imports is about on par with last year, but substantially below the 10.4-million-ton average of MY 1980-83. Total grain supplies are expected to rise only marginally (300,000 tons) above last year's level, but they nonetheless will remain below the average of the late 1970s.

- o Poland's imports in MY 1983/84 will probably range between 3.0 and 3.3 million tons, roughly 700,000 tons less than last year and well short of the amount needed to rebuild the livestock herds reduced by distress slaughtering in 1982. Financing problems will dictate that the bulk of Poland's grain purchases be made for cash or through barter. To help replace imports from the West, the USSR is expected to deliver about 650,000 tons, about 140,000 tons more than it provided last year.
- o Czechoslovakia is expected to import between 500,000 and 600,000 tons of grain in MY 1983/84, about 150,000 tons below that of last year. Because of reduced harvests in Romania and Hungary, Prague will likely be forced to purchase a larger share of its corn from sources requiring hard currency.
- o East Germany's grain imports are estimated between 2.5 and 3.0 million tons, roughly .5 million tons above the level of MY 1982/83. [redacted]

25X1

The Search for Western Financing

Since the early 1970s, Eastern Europe began relying heavily upon Western credits to finance grain imports. By and large, these funds were easy to come by in the detente environment that prevailed. The situation was altered in 1982 when East-West political frictions, economic crises, and debt problems in Poland and Romania cast doubt on the creditworthiness of all of Eastern

25X1

25X1

[REDACTED]

Europe. While East European access to Western credits generally has tightened, the availability of credit to purchase grain has been less severely affected. A number of Western governments, for example, have been willing to play down the issue of Eastern Europe's creditworthiness for political reasons and to find outlets for surplus grain.

- o Canada has been particularly aggressive in expanding its sales to Eastern Europe through the use of government-backed commercial credits. Officially-backed loans paved the way for the one-million-ton sale to East Germany in January, East Berlin's first major purchase from Canada since the mid-1970s. More recently, the two countries signed a long-term agreement calling for East German purchases of one million tons per year in 1984-86 financed by officially guaranteed credits. Press reports indicate that Canada is also pursuing talks with Romania on a two-year agreement.
- o Austria recently sold 200,000 tons of wheat to Poland on the basis of government-backed credits and has reportedly been negotiating a 220,000-ton sale of wheat to East Germany. Last year Austria sold 285,000 tons of grain to East Germany (Austria's largest grain sale ever to East Germany), 170,000 tons to Czechoslovakia and 50,000 tons to Yugoslavia. All sales reportedly included government-backed credits.
- o Despite France's failure to renew its long-term agreement with Poland, Paris has continued to provide Warsaw with short-term government guarantees for financing grain sales. [REDACTED] the credits were promised before imposition of martial law, and Paris will maintain them as long as Poland keeps payments current. Although concerned about East Germany's creditworthiness, France reportedly has continued to extend guarantees for grain shipments but at a lower level than in previous years.
- o West Germany apparently has been encouraging domestic commodity traders to provide credit lines to East Germany.

25X1

25X1

[REDACTED]

In contrast to their West European and Canadian counterparts, US banks and grain traders generally remain reluctant to extend credits for grain purchases. Further, the restrictions on Commodity Credit Corporation (CCC) credits to Poland, imposed after martial law was declared in December 1981,

25X1

25X1

[redacted]

will continue to sharply limit sales of US grain.⁵ Prior to the credit cut off, the United States supplied about half of Poland's grain imports. We estimate that US grain sales to Eastern Europe in MY 1983/84 will total only about 1.7 to 2.0 million tons. The bulk of these sales will go to East Germany, Poland, (on a cash and limited credit basis), and Yugoslavia (CCC credits). As a result, the US share of the East European grain market this year is expected to range from 20 to 25 percent, near last year's level but well below the 55 percent share it enjoyed in the late 1970s. [redacted]

25X1

Outlook for Food Supplies

On balance East European consumers can expect little improvement in food supplies despite this year's good harvest. Indeed, further cutbacks in supplies and increases in retail food prices may be in the offing as agricultural imports remain depressed and exports of food continue. Shortfalls in food supplies will impact most heavily in Poland and Romania, where meat is already in short supply. [redacted]

25X1

In Poland, although food supplies have improved somewhat since the first of the year, prospects for the coming months indicate continuing shortages. This year's good harvest and increased grain procurements together with expected imports should help to ease a shortage of flour and baked goods. Nonetheless, rationing is expected to continue in the foreseeable future for such items as meat, animal fats, butter, sugar, flour products, chocolate, and coffee. Warsaw has already announced that food prices will rise, possibly 10 to 20 percent, as of the first of the year. Although Warsaw announced earlier this year that the meat ration in 1983 would go no lower than that of the second half of 1982, such promises appear unrealistic. Meat deliveries in 1983 are expected to be some 5 percent or more below last year. Despite increased meat imports, we estimate that per capita consumption this year may decline to about

⁵ Poland has been the region's primary recipient of US CCC export financing programs, receiving roughly \$2.6 billion in credit guarantees and direct credits--more than 80 percent of CCC financed sales to Eastern Europe--during fiscal years (FY) 1970-82. Since East Germany, Czechoslovakia, and Bulgaria do not have most-favored-nation status, they are not eligible for CCC financing. Romania is eligible but did not receive any financing in FY 1983 and although Bucharest has made informal inquiries into credit availabilities for FY 1984, no formal request has been made. Hungary and Yugoslavia received \$42 million and \$240 million respectively in CCC financing in FY 1983. Yugoslavia has requested \$341 million in CCC financing for FY 1984. [redacted]

25X1

25X1

25X1

[redacted]

55 kilograms or less, roughly 2 kilograms less than last year and well below the 74 kilogram average of 1980. With livestock herds down sharply and feed supplies curtailed, no improvement in meat supplies is expected in 1984. [redacted]

25X1

Among the southern countries, Romania is in the worst condition. Over the past year and a half, consumers have faced sharp price increases, long queues, rationing, and shortages of meat, cheese and butter. In its attempt to gain tighter control over the supply and distribution of food, the regime has implemented a number of measures this year. Restrictions on the sale and resale of privately produced foods in public markets have been tightened; the private sale of meat has been banned; and the private transport of foodstuffs has been prohibited. These steps have only succeeded in reducing the supplies offered for sale, thus exacerbating shortages. [redacted]

25X1

In East Germany, Czechoslovakia, Bulgaria, and Yugoslavia, local shortages of meat, dairy products, vegetable oils, citrus, coffee and chocolate will continue and prospects for additional increases in food prices (except for East Germany) will make life uncomfortable, but we do not expect the situation to become critical. In Hungary, food supplies are expected to be near normal but more costly. Budapest, blaming this year's drought, recently ordered an immediate increase of 16 to 23 percent in the retail prices of bread, sugar, cooking oil, and other basic foodstuffs. [redacted]

25X1

Some Issues Ahead

So far the political fall-out from tight food supplies has remained muffled. On the surface, at least, it appears that the East European consumers are getting accustomed to long lines, selective food rationing and price hikes. We do not know, however, the extent to which their patience is wearing thin. We believe that the East European governments would move quickly to shift food supplies from surplus regions or state reserves to specific areas if popular rumbling appeared threatening. The Romanians and the Poles have done this successfully in the past. Sudden sharp price increases and new or tighter rationing requirements are the most serious potential flash-points. Polish authorities were recently stung by the wave of public criticism which took place over the reinstitution of butter rationing. Two high level officials in the Ministry of Trade and Services were fired for their poor handling of the matter. Nonetheless, Warsaw remains committed to food price hikes next year, and other regimes are likely to continue raising prices with an eye toward restraining domestic demand. [redacted]

25X1

Unless Eastern Europe imports more grain than is now intended, food supplies in the region will not improve much if at all. Although most East European governments have pledged to sharply increase domestic grain production, numerous constraints

25X1

25X1

[redacted]

stand in the way of achieving this goal. In addition to largescale investments for modernization, the East Europeans would have to initiate institutional reforms designed to overcome management problems, inadequate incentives and low productivity. In our view, the requisite measures are not likely to be taken any time soon. This is not to say that grain production in any one year will not increase substantially because of exceptionally good weather conditions. [redacted]

25X1

Sustained improvements in food supplies in the next few years, therefore, will depend largely on Eastern Europe's ability to boost grain imports. Financing will continue to be the critical factor in determining the volume and pattern of Eastern Europe's agricultural trade. Because of their financial weakness, most East European countries will have limited leverage on major exporters and will buy from those suppliers willing to extend credit or to accept countertrade arrangements. Credit availability will often assume greater importance than price in the selection of suppliers. [redacted]

25X1

Although the reduced US presence has given other countries the opportunity to increase grain sales to Eastern Europe, we expect that Canada will remain the only major grain exporter to use government-backed trade credits aggressively to expand its market share. Other large grain exporters--Australia and Argentina--seem reluctant to jump in and fill the trade gap, either because of concerns over Eastern Europe's creditworthiness or because of their own inability to extend loans. France will probably continue to extend some credit on a selective basis, but Paris appears cautious about financing a major expansion of grain sales to Eastern Europe. While Austria stands ready to provide grain credits, it can be only an occasional and minor supplier of grain to the region. We expect West Germany to continue backstopping East Germany's grain requirements because of Bonn's strong interest in supporting the East German economy and improving political ties. As a net grain importer, however, West Germany is unlikely to stake out a long-term share of East Germany's grain market and would probably reduce its role if other financing becomes available. [redacted]

25X1

We believe that US exporters could quickly recoup much of their lost market share if US commercial and official lenders eased their restrictions on new loans to Eastern Europe. Some East European countries have threatened to boycott purchases of US grain over what they perceive as "discriminatory financing practices."

[redacted]

25X1

25X1

Table 1

Eastern Europe: Grain Production^a

Million Metric Tons

	1977-81 Average	1977	1978	1979	1980	1981	1982	1983 ^b
Eastern Europe	93.8	93.7	96.2	90.8	96.0	92.1	102.0	97.4
Southern countries	55.2	55.3	53.9	55.4	57.4	54.0	60.5	55.0
Romania	18.9	18.6	19.0	19.3	20.2	17.5	19.7 ^c	17.6
Bulgaria	8.1	7.8	7.7	8.5	7.8	8.7	8.6 ^d	7.5
Hungary	12.8	12.3	13.3	12.0	13.8	12.6	14.8	12.9
Yugoslavia	15.4	16.6	13.9	15.6	15.6	15.2	17.4	17.0
Northern countries	38.6	38.4	42.3	35.4	38.6	38.1	41.5	42.4
Poland	19.3	19.4	21.5	17.3	18.3	19.8	21.2	21.6
Czechoslovakia	10.1	10.3	11.0	9.2	10.7	9.4	10.3	10.8
East Germany	9.2	8.7	9.8	8.9	9.6	8.9	10.0	10.0

^a Grains include wheat, rye, barley, oats, corn, mixed grains; in the southern countries rice is also included; in Bulgaria, legumes. []

^b CIA estimate. []

^c CIA estimate. Romania announced that total 1982 grain production was 22.3 million tons, including 12.6 million tons of corn and 6.5 million tons of wheat. However, dry weather hurt grain yields, and much of the barley was chopped for fodder. These factors, in our judgment, precluded a crop of 22.3 million tons, considering that Romania's record is 20.2 million tons. []

^d CIA estimate. Although Bulgaria announced 1982 production as 10 million tons, local press accounts were silent about the harvest. Weather conditions during the growing season did not seem good enough for a crop of that size. Bulgaria's record production is 8.7 million tons. []

25X1

25X1

25X1

25X1

25X1

25X1

Table 2

Eastern Europe: Grain Production Plans

Million Metric Tons

	1982 Plan	1983 Plan
Eastern Europe	104.4	110.3
Southern countries	63.7	67.8
Romania	24.0	25.3
Bulgaria	9.5	10.3
Hungary	14.2	14.5
Yugoslavia	16.0 ^a	17.7 ^a
Northern countries	40.7	42.5
Poland	19.7	21.2
Czechoslovakia	11.0	11.0
East Germany	10.0	10.3

^a CIA estimate. Yugoslavia announced 1982 and 1983 production plans for corn and wheat only. Our estimate of the total production plan consists of the corn and wheat plan, plus 1 million tons for other grains.

25X1

25X1

25X1

Table 3

Eastern Europe: Grain Imports^a

	Million Metric Tons				
	<u>1979/80</u>	<u>1980/81</u>	<u>1981/82</u>	<u>1982/83</u>	<u>1983/84^b</u>
Eastern Europe	17.50	15.66	12.36	7.80	7.7-9.0
Southern countries	3.86	3.82	3.53	0.95	1.7-2.1
Romania	1.63	2.15	1.18	0.32	0.8-0.9
Bulgaria	0.82	0.85	0.72	0.33	0.4-0.5
Hungary	0.14	0.15	0.18	0.12	0.1-0.2
Yugoslavia	1.27	0.67	1.45	0.18	0.4-0.5
Northern countries	13.64	11.84	8.83	6.85	6.0-6.9
Poland	7.75	8.16	4.71	4.0	3.0-3.3
Czechoslovakia	1.87	0.67	1.37	0.65	0.5-0.6
East Germany	4.02	3.01	2.75	2.20	2.5-3.0

^a Marketing year 1 July to 30 June. Import data for all marketing years, except 1983/84, are from the Foreign Agricultural Service, USDA.

^b CIA's estimate is based upon our projection of the countries' needs and ability to finance grain purchases.

25X1

25X1

25X1

25X1

Table 4

Eastern Europe: Grain Exports^a

	Million Metric Tons				
	<u>1979/80</u>	<u>1980/81</u>	<u>1981/82</u>	<u>1982/83</u>	<u>1983/84^b</u>
Eastern Europe	2.93	4.58	4.22	5.43	3.14-3.90
Southern countries	3.54	4.11	3.82	5.03	2.85-3.50
Romania	1.25	1.75	1.70	1.75	1.00-1.20
Bulgaria	0.60	0.40	0.79	1.10	0.05-0.10
Hungary	0.49	1.55	1.05	1.18	0.80-0.90
Yugoslavia	0.20	0.41	0.28	1.00	1.00-1.30
Northern countries	0.39	0.47	0.40	0.40	0.29-0.40
Poland	0	0.06	0.02	0.03	0.0-0.05
Czechoslovakia	0.01	0.04	0.05	0.05	0.04-0.05
East Germany	0.38	0.37	0.33	0.32	0.25-0.30

^a Marketing year 1 July to 30 June. Export data for all marketing years, except 1983/84, are from the Foreign Agricultural Service, USDA.

25X1

^b CIA estimate.

25X1

25X1

Table 5

Eastern Europe: Estimated Grain Production, Imports and Availability, MY 1983/84

Million Metric Tons					
	Production 1983	Imports 1983/84 ^a	Availability 1983/84 ^b	Availability 1982/83	Change In Availability 1983/84 - 1982/83
Eastern Europe ^c	97.4	8.35	106.4	109.8	-3.4
Southern countries	55.0	1.90	57.7	61.4	-3.7
Romania	17.6	0.85	18.5	20.0	-1.5
Bulgaria	7.5	0.45	8.0	8.9	-0.9
Hungary	12.9	0.15	13.6	14.9	-1.3
Yugoslavia	17.0	0.45	17.6	17.6	0
Northern countries	42.4	6.45	48.7	48.4	0.3
Poland	21.6	3.15	24.7	25.2	-0.5
Czechoslovakia	10.8	0.55	11.3	11.0	0.3
East Germany	10.0	2.75	12.7	12.2	0.5

^a Figures are based on mid-point of our estimated range of imports given in Table 3. ☐

25X1

^b Available for domestic consumption or export. Availability equals production plus imports and beginning stocks in Hungary (500,000 tons) and Yugoslavia (100,000 tons). Because the bulk of the East European grain harvests occurs between 1 July and 31 December, annual production falls within the trade year 1 July and 30 June. The two may be added to give an approximation of grain availability for a common period--MY 1 July to 30 June. ☐

25X1

^c Totals may not add due to rounding. ☐

25X1

25X1

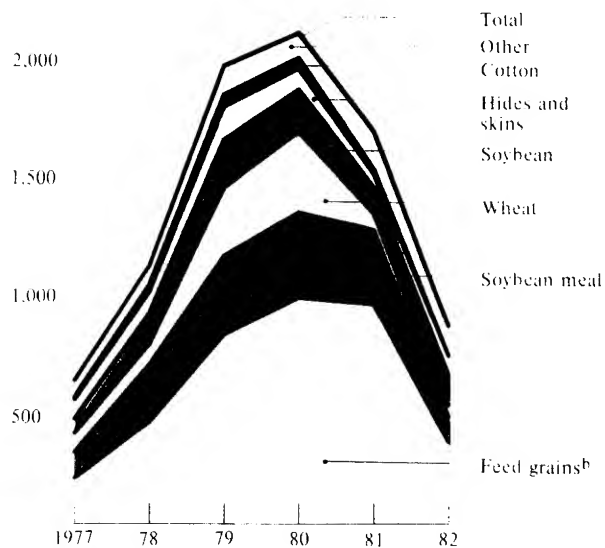
25X1

Page Denied

Next 2 Page(s) In Document Denied

Figure 4
Eastern Europe: Declining Imports of
U.S. Agricultural Commodities^a

Million current US \$
2,500



^a Does not include transshipments.

^b Includes corn, barley, and grain sorghums.

300633 11-83